

## VETO OF SENATE BILL NO. 193.

*To the Senate.*

In returning Senate bill No. 193, I submit the following reasons for withholding from it my approval:

1. The distance from Tyler to Galveston, the principal gulf port of the State, via the International & Great Northern Railway is 265 miles; that over the St. Louis Southwestern Railway to Corsicana, thence over the Houston & Texas Central Railway is 335 miles; and that over the Tyler Southeastern Railway to Lufkin, thence over the Houston East & West Texas Railway is 257 miles. It cannot be doubted that the International & Great Northern and the St. Louis Southwestern Railways are parts of the same system, and are practically under one and the same control. It is also true that the Tyler Southeastern Railway is a competitor with the other two roads named for all traffic and travel between Tyler and Galveston. This being so, the consolidation, for which the pending measure provides, comes within the inhibition imposed by Section 5, Article X, of the Constitution, as interpreted by the Supreme Court in the case of the East Line & Red River Railway Company vs. The State of Texas, Volume 75, Supreme Court Reports.

The fact that the Tyler Southeastern Railway only extends to Lufkin—a distance of but 88.61 miles from Tyler—does not become a factor in the case, because under Section 1, Article X, of the Constitution, it has the right to intersect, connect with or cross the Houston East & West Texas Railway, which passes through Lufkin, thence to Houston, and it is made the duty of the Houston East & West Texas Line to receive and transport the passengers, tonnage and cars, loaded or empty, without delay or discrimination, of the Tyler Southeastern Railway. It cannot but be evident to every one, who will consider the question for a moment, that if the pending bill should become law the probable, if not certain effect, will be to destroy all competition between Tyler and Galveston in the matter of railway traffic and travel, and force it over the International & Great Northern Railway or the St. Louis Southwestern Railway, both of which roads, as I have already stated, belong to the same system and are controlled by the same persons. Having already, in a former message, presented my views touching the decision of the Supreme Court in the case of the East Line & Red River Railway Company vs. The State of Texas, I need not repeat them here.

2. I am advised that the mortgage records of McLennan county show subsisting and uncanceled deeds of trust covering all the lines of the St. Louis Southwestern Railway, having a total length of about 572.5 miles, to secure the payment of \$14,167,500, exclusive of interest. These mortgages not only embrace all of the property of whatever character and description owned by the St. Louis Southwestern Railway Company at the time of their execution, but also every kind and character of property that may thereafter be acquired. The length of the Tyler Southeastern Railway is 88.61 miles, and its net indebtedness, as shown in the Sixth Annual Report of the Railroad Commission, was \$1,246,156.80, or \$14,064.97 per mile, on June 30, 1897. It is not probable that this indebtedness has materially decreased, if at all, since that date. Should the consolidation take place, as contemplated in the bill, the Tyler Southeastern Railway will become subject to said deeds of trust and, limiting its liability thereunder to its proportional share of the indebtedness secured by them, its obligations will become thereby increased to at least \$23,315.16 per mile, as against \$14,064.97 per mile at the present time, and that too, by the mere operation of law and without any consideration whatever accruing to it. As respects this road, such a policy upon the part of the State cannot be considered wise even from a sound financial standpoint, to say nothing of its evident ill effects in other very important directions.

JOSEPH D. SAYERS,  
Governor.